

Board of Directors

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CERTIFICATE AS TO RESOLUTION

I, **JORGE A. RIVERA**, Secretary of the Board of Directors of Government Development Bank for Puerto Rico (the "Bank"), **DO HEREBY CERTIFY** that attached hereto is a true and correct copy of **Resolution 9195** which was duly adopted by the Board of Directors of the Bank at a meeting duly called and held on September 16, 2009 at which a quorum was present and acting throughout. Said resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect.

RESOLUTION 9195

TO AUTHORIZE THE DETAILS OF A REVOLVING CREDIT FACILITY TO PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY IN THE PRINCIPAL AMOUNT AT ANY ONE TIME OUTSTANDING OF NOT TO EXCEED \$20,000,000 TO PAY COSTS INCURRED OR TO BE INCURRED IN THE ACQUISITION, CONSTRUCTION, EQUIPPING, INSTALLATION AND DEVELOPMENT OF THE AUTHORITY'S FACILITIES AND AUTHORIZING RELATED ACTION IN CONNECTION THEREWITH

WHEREAS, Puerto Rico Highways and Transportation Authority (the "Authority") has determined to obtain a revolving credit facility (the "Credit Facility") in the principal amount at any one time outstanding of not to exceed \$20,000,000, for the purpose of providing the Authority with funds to pay costs incurred or to be incurred in the acquisition, construction, equipping, installation and development of certain additional improvements to the Authority's facilities included in its Construction Improvement Program for fiscal year 2010 (the "Project"); and

WHEREAS, the proceeds of the Credit Facility will be applied only to projects approved and to be funded by the *Federal Highway Administration (FHWA)*, on certain federal regulations or the *American Reinvestment and Recovery Act (ARRA)*; and

WHEREAS, the Authority will repay this interim financing with moneys received from FHWA as reimbursements on payments done by the Authority for the Project; and

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WHEREAS, the Bank is willing to provide such financing in an amount not to exceed \$20,000,000 in accordance with the terms and conditions herein below set forth;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Government Development Bank for Puerto Rico:

1. Revolving line of credit for the benefit of the Authority in an amount of \$20,000,000, which purpose is the financing of costs incurred or to be incurred in the acquisition, construction, equipping, installation and development of improvements to the facilities chargeable to the capital account of the Authority, and approved and to be funded by the FHWA, on certain federal regulations or the ARRA, is hereby authorized (the "Loan"). Proceeds of the Loan will be used to pay such costs or to reimburse the Authority's Construction Fund, created and established under Resolution No. 68-18, adopted by the Authority on June 13, 1968, as amended, (the "1968 Resolution"), or the Authority's Construction Fund created and established under Resolution 98-06 adopted by the Authority on February 26, 1998, as amended (the "1998 Resolution") (collectively, the "Resolutions"), for the payment of such costs.
2. The principal amount of the Loan shall mature and be due and payable on August 31, 2010. Said principal amount shall be payable from proceeds of federal reimbursements on payments done by the Authority for the Project, from amounts available from the Authority's Construction Funds established under the Resolutions, or from any other available moneys of the Authority. /The President of the Bank is hereby authorized to extend further, if necessary, the maturity date of the Loan from time to time, but in no event will the maturity of the Loan be extended beyond August 31, 2012. /The Loan shall bear interest until paid in full at a rate or rates per annum determined in accordance with the Loan Agreement, to be entered by and between the Bank and the Authority (the "Loan Agreement"). Interest shall be payable monthly in arrears not later than the tenth Banking Day (as defined in the Loan Agreement) following receipt from the Bank of the statement referred to in the next sentence of this paragraph, from amounts available from the respective Construction Funds established under the Resolutions, or from any other available moneys of the Authority. Each month the Bank shall furnish to the Authority a written statement showing the amount of interest due and payable by the Authority on the Loan for the preceding month. The Authority may prepay the Loan at any time without penalty or premium. The Loan shall be junior and subordinate to outstanding bonds of the Authority and shall be subject to certain other terms and conditions, to be included in the Loan Agreement.
3. The execution and delivery by the President, the Executive Vice President, any Senior Vice President, or any Vice President of the Bank, of the Loan Agreement by and between the Bank and the Authority are hereby authorized. Upon the execution and delivery of the Loan Agreement, the Authority shall execute a note in the principal amount of the Loan.
4. If there is no disbursement activity on this additional loan for a period of six months after its approval by the Board of Director of the Bank, the loan shall be cancelled automatically.

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5. This Resolution is intended to be a declaration of official intent under U.S. Treasury Department Regulation Section 1.150-2.
6. The President, the Executive Vice President, any Senior Vice President, or any Vice President of the Bank are hereby authorized to take all actions necessary of them to carry out the provisions of this Resolution.
7. The provisions of this Resolution shall become effective immediately upon its adoption

IN WITNESS WHEREOF I SET my hand and the corporate seal of the Government

Development Bank for Puerto Rico, this 29th day of September, 2009.


JORGE A. RIVERA
SECRETARY

(SEAL)